

109TH CONGRESS  
1ST SESSION

# H. R. 3405

To prohibit the provision of Federal economic development assistance for any State or locality that uses the power of eminent domain power to obtain property for private commercial development or that fails to pay relocation costs to persons displaced by use of the power of eminent domain for economic development purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

JULY 22, 2005

Mr. BONILLA (for himself, Ms. HERSETH, Mr. GOODLATTE, Ms. WATERS, Mr. POMBO, Mr. SMITH of Texas, Mr. DEFazio, Mr. OTTER, Mrs. DRAKE, Mr. BOYD, Mr. CALVERT, Mr. PEARCE, Mr. KUCINICH, Mr. DUNCAN, Mr. THORNBERRY, Mr. NEUGEBAUER, and Mr. McKEON) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committees on Transportation and Infrastructure, Financial Services, Resources, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

---

## A BILL

To prohibit the provision of Federal economic development assistance for any State or locality that uses the power of eminent domain power to obtain property for private commercial development or that fails to pay relocation costs to persons displaced by use of the power of eminent domain for economic development purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Strengthening the  
3 Ownership of Private Property Act of 2005” or the  
4 “STOPP Act of 2005”.

5 **SEC. 2. CONDITIONS OF FINANCIAL ASSISTANCE UNDER**  
6 **FEDERAL ECONOMIC DEVELOPMENT PRO-**  
7 **GRAMS.**

8       (a) PROHIBITION OF ASSISTANCE.—If, after the date  
9 of the enactment of this Act, any State (or any agency  
10 thereof) or any unit of general local government (or any  
11 agency thereof) engages in any act described in subsection  
12 (b), Federal financial assistance under any Federal eco-  
13 nomic development program may not be provided to such  
14 State (including any agency thereof) or unit of general  
15 local government (including any agency thereof), respec-  
16 tively, at any time after such act.

17       (b) LIMITATIONS ON USE OF EMINENT DOMAIN.—  
18 The acts described in this subsection are as follows:

19           (1) USE OF EMINENT DOMAIN FOR PRIVATE  
20 COMMERCIAL DEVELOPMENT.—Any use of the power  
21 of eminent domain to take property from one private  
22 individual or entity for any economic development  
23 purpose and transfer ownership of such property (or  
24 a portion thereof) to another private individual or  
25 entity.

1           (2) FAILURE TO PROVIDE RELOCATION ASSIST-  
2           ANCE FOR PERSONS DISPLACED BY USE OF EMI-  
3           NENT DOMAIN FOR ECONOMIC DEVELOPMENT.—

4           Failing to provide, to any person displaced by the  
5           use of the power of eminent domain for any eco-  
6           nomic development purpose, relocation assistance  
7           under the Uniform Relocation Assistance and Real  
8           Property Acquisitions Policies Act of 1970 (42  
9           U.S.C. 4601 et seq.) in the same manner and to the  
10          same extent as relocation assistance is required  
11          under such Act to be provided by a Federal agency  
12          that undertakes a program or project that results in  
13          displacement of such person.

14          (c) CERTIFICATION OF COMPLIANCE.—If the head of  
15          a Federal agency does not have actual knowledge that a  
16          particular State or unit of general government has en-  
17          gaged in an act described subsection (b) after the date  
18          of the enactment of this Act, a certification made to such  
19          Federal agency head by the chief executive officer of the  
20          State or unit of general government that such State or  
21          unit has not engaged in any such act shall be sufficient  
22          for such Federal agency head to determine that the State  
23          or unit is not ineligible, by reason of subsection (a), for  
24          Federal financial assistance under a Federal economic de-

1 velopment program administered by such Federal agency  
2 head.

3 **SEC. 3. DEFINITIONS.**

4 For purposes of this Act, the following definitions  
5 shall apply:

6 (1) FEDERAL ECONOMIC DEVELOPMENT PRO-  
7 GRAM.—The term “Federal economic development  
8 program” means any of the following programs:

9 (A) DEPARTMENT OF AGRICULTURE.—

10 (i) FOREST SERVICE.—

11 (I) The National Forest-depend-  
12 ent rural communities program for as-  
13 sistance for economic recovery under  
14 the National Forest-Dependent Rural  
15 Communities Economic Diversification  
16 Act of 1990 (7 U.S.C. 6611 et seq.).

17 (II) The rural development  
18 through forestry program pursuant to  
19 the Department of the Interior and  
20 Related Agencies Appropriations Act,  
21 2001 (Public Law 106–291; 114 Stat.  
22 972) and the Department of the Inte-  
23 rior and Related Agencies Appropria-  
24 tions Act, 2005 (Public Law 108–447,  
25 Division E; 118 Stat. 3080).

(ii) RURAL BUSINESS—COOPERATIVE  
SERVICE.—

(I) The intermediary relending program under section 1323 of the Food Security Act of 1985 (7 U.S.C. 1932 note).

(II) The rural business opportunities grant program under section 306(a)(11) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(11)).

(III) The program for assistance to cooperatives for economic development under the Act of July 2, 1926 (7 U.S.C. 451 et seq.) and subtitle A of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.).

(IV) The rural business enterprise grants program under section 310B(c) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(c)).

(V) The rural economic development loans and grants program under

1 title III of the Rural Electrification  
2 Act of 1936 (7 U.S.C. 930 et seq.).

3 (iii) RURAL UTILITIES SERVICE.—

4 (I) The program for grants, di-  
5 rect loans, and guaranteed loans for  
6 water and waste disposal systems for  
7 rural communities under paragraphs  
8 (1) and (2) of section 306(a) of the  
9 Consolidated Farm and Rural Devel-  
10 opment Act (7 U.S.C. 1926(a)).

11 (II) The Rural Utilities Service  
12 program for grants and loans to the  
13 Denali Commission under section  
14 19(a)(2) of the Rural Electrification  
15 Act of 1936 (7 U.S.C. 918a(a)(2)).

16 (iv) RURAL HOUSING SERVICE.—

17 (I) The rural community develop-  
18 ment initiative pursuant to the Agri-  
19 culture, Rural Development, Food and  
20 Drug Administration, and Related  
21 Agencies Appropriations Act, 2001  
22 (Public Law 106–387; 114 Stat.  
23 1549A–17) and the Agriculture, Rural  
24 Development, Food and Drug Admin-  
25 istration, and Related Agencies Ap-

1                    appropriations Act, 2005 (Public Law  
2                    108–447; 118 Stat. 2826).

3                    (II) The program for loans and  
4                    grants for essential community facili-  
5                    ties under section 306(a)(1) of the  
6                    Consolidated Farm and Rural Devel-  
7                    opment Act (7 U.S.C. 1926(a)(1)).

8                    (v) FARM SERVICE AGENCY.—The  
9                    program for loans to Indian tribes and  
10                  tribal corporations under the Consolidated  
11                  Farm and Rural Development Act (7  
12                  U.S.C. 1921 et seq.).

13                  (vi) RURAL BUSINESS INVESTMENT  
14                  PROGRAM.—The rural business investment  
15                  program under subtitle H of the Consoli-  
16                  dated Farm and Rural Development Act (7  
17                  U.S.C. 2009cc et seq.).

18                  (B) DEPARTMENT OF COMMERCE—ECO-  
19                  NOMIC DEVELOPMENT ADMINISTRATION.—Any  
20                  program for financial assistance under the Pub-  
21                  lic Works and Economic Development Act of  
22                  1965 (42 U.S.C. 3121 et seq.).

23                  (C) DEPARTMENT OF HOUSING AND  
24                  URBAN DEVELOPMENT.—

1           (i) The community development block  
2           grant programs under title I of the Hous-  
3           ing and Community Development Act of  
4           1974 (42 U.S.C. 5301 et seq.), including  
5           the entitlement grants, small cities, special  
6           purpose and insular areas grants, States,  
7           Indian tribe grants, and loan guarantee  
8           programs.

9           (ii) The brownfields economic develop-  
10          ment initiative under section 108(q) of the  
11          Housing and Community Development Act  
12          of 1974 (42 U.S.C. 5308(q)).

13          (iii) The rural housing and economic  
14          development program of the Department of  
15          Housing and Urban Development pursuant  
16          to title II of the Departments of Veterans  
17          Affairs and Housing and Urban Develop-  
18          ment, and Independent Agencies Appro-  
19          priations Act, 2005 (Public Law 108–447;  
20          118 Stat. 3300) and title II of the Depart-  
21          ments of Veterans Affairs and Housing  
22          and Urban Development, and Independent  
23          Agencies Appropriations Act, 1999 (Public  
24          Law 105–276; 112 Stat. 2475).



1 (iv) The Indian housing block grant  
2 program under the Native American Hous-  
3 ing Assistance and Self-Determination Act  
4 of 1996 (25 U.S.C. 4101 et seq.).

5 (D) EMPOWERMENT ZONES PROGRAM.—

6 The empowerment zones, enterprise commu-  
7 nities, and rural development investment areas  
8 programs under subchapter U of chapter 1 of  
9 the Internal Revenue Code of 1986 (26 U.S.C.  
10 1391 et seq.).

11 (E) DEPARTMENT OF THE INTERIOR—

12 BUREAU OF INDIAN AFFAIRS.—The programs  
13 for grants, loans, and loan guarantys for Indian  
14 economic development of the Office of Eco-  
15 nomic Development, Bureau of Indian Affairs  
16 of the Department of the Interior.

17 (F) DEPARTMENT OF THE TREASURY.—

18 The community development financial institu-  
19 tions fund program under subtitle A of title I  
20 of the Riegle Community Development and  
21 Regulatory Improvement Act of 1994 (12  
22 U.S.C. 4701 et seq.).

23 (G) APPALACHIAN REGIONAL COMMIS-

24 SION.—Any program for assistance for Appa-

1 lachian regional development under subtitle IV  
2 of title 40, United States Code.

3 (H) NATIONAL CREDIT UNION ADMINIS-  
4 TRATION.—The community development revolv-  
5 ing loan fund program for credit unions under  
6 the Community Development Credit Union Re-  
7 volving Loan Fund Transfer Act (42 U.S.C.  
8 9822 note).

9 (I) DENALI COMMISSION.—The Denali  
10 Commission program under the Denali Com-  
11 mission Act of 1998 (42 U.S.C. 2131 et seq.).

12 (J) DELTA REGIONAL AUTHORITY.—The  
13 program for Delta regional development under  
14 subtitle F of the Consolidated Farm and Rural  
15 Development Act (7 U.S.C. 2009aa et seq.).

16 (K) DEPARTMENT OF HEALTH AND  
17 HUMAN SERVICES.—The discretionary award  
18 program for community economic development  
19 under section 680 of the Community Services  
20 Block Grant Act (42 U.S.C. 9921).

21 (2) FEDERAL FINANCIAL ASSISTANCE.—The  
22 term “Federal financial assistance” has the meaning  
23 given such term in section 101 of the Uniform Relo-  
24 cation Assistance and Real Property Acquisitions  
25 Policies Act of 1970 (42 U.S.C. 4601).

1           (3) STATE.—The term “State” means any of  
2       the States of the United States, the District of Co-  
3       lumbia, the Commonwealth of Puerto Rico, the Com-  
4       monwealth of the Northern Mariana Islands, Guam,  
5       the Virgin Islands, American Samoa, and any other  
6       territory or possession of the United States.

7           (4) UNIT OF LOCAL GOVERNMENT.—The term  
8       “unit of local government” means any city, county,  
9       town, township, parish, village, or other general pur-  
10      pose political subdivision of a State or any commu-  
11      nity redevelopment agency, housing authority, spe-  
12      cial district, or other special purpose political sub-  
13      division of a State.

14   **SEC. 4. APPLICABILITY.**

15       at any time after the date of the enactment of this  
16   Act, has engaged in either of the following acts

○